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Centre de recherches pour le development international**

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SARO PROGRAMME PRIORITY STATEMENT



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PROGRAM FRAMEWORK FOR SOUTH ASIA REGIONAL OFFICE

Introduction

In its annual meeting in January 1992 SARO defined for itself a four-pronged strategic focus concentrating its programming and staffing in the following areas :

- Forestry
- Water and Soil Management
- Environmental and Economic Policy
- R&D Utilization

The above elements of SARO's programme strategy were arrived at through an iterative and consultative process consisting of:

- Successive SARO Annual Programme Meetings since 1987
- Four independent Country Studies for Bangladesh, India, Nepal and Sri Lanka, 1990
- Deliberations of SARO's Advisory Group on Population-Environment-Poverty, 1990

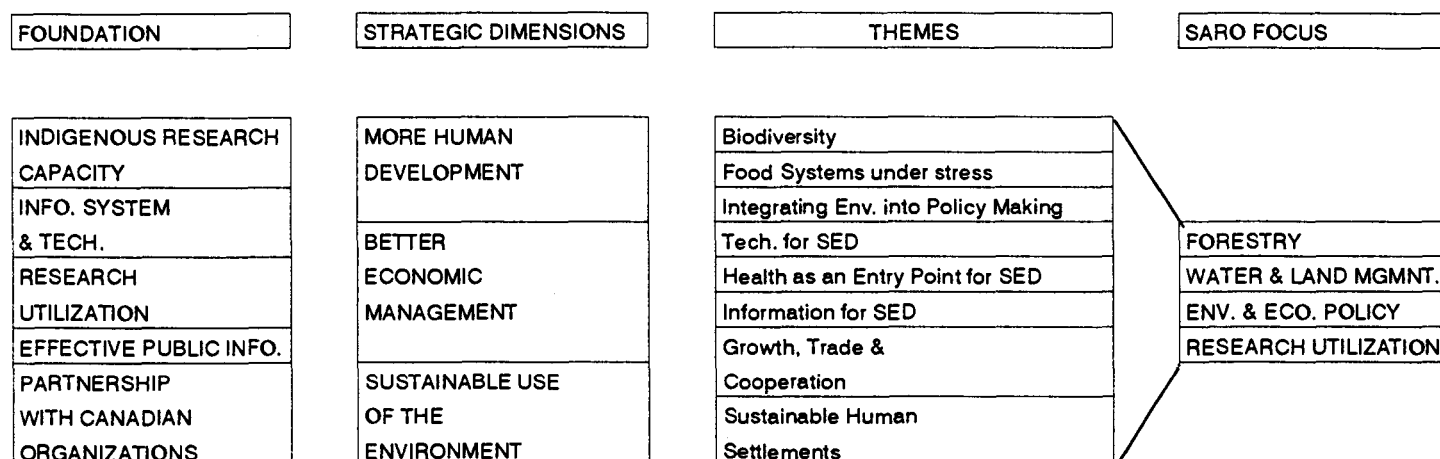
The strategy formulation process was also influenced by the meeting of the South Asia Regional Roundtable on Sustainable Development, Nov. 1992 and global happenings, outside but of relevance to the region, particularly the UNCED meet at Rio and IDRC's corporate mandate to implement Agenda 21.

Within the broad parameters of the four program areas defined above SARO has developed a multidisciplinary thematic focus addressing key Agenda 21 concerns. In addition to the six Centre-wide themes, regional realities warrant the inclusion of two other themes emanating from Agenda 21 :

- Growth, Trade and Cooperation
- Sustainable Human Settlements

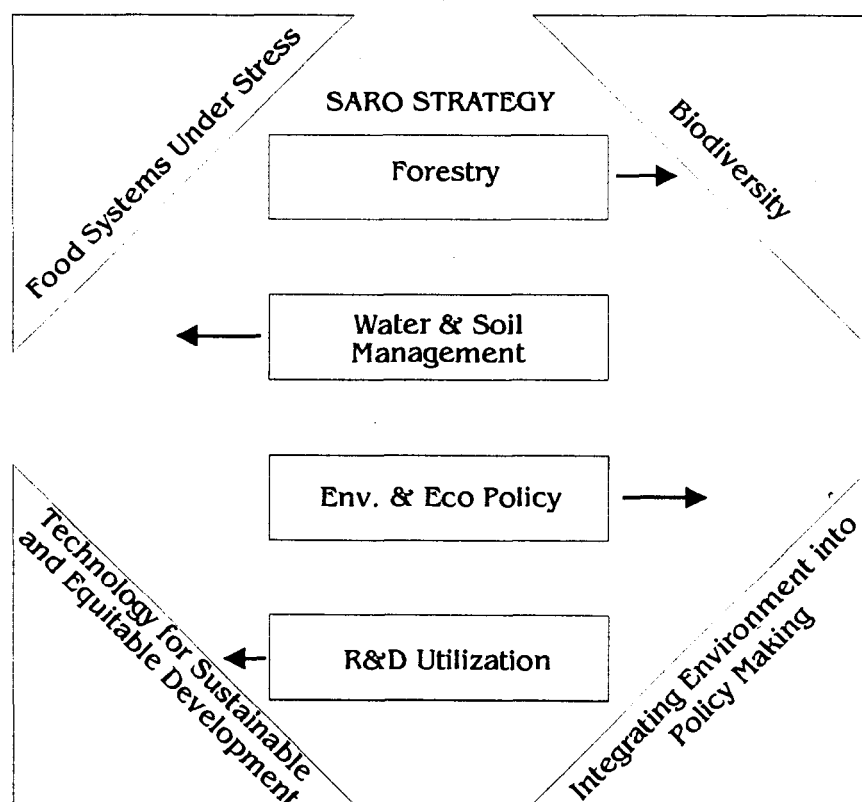
The figure below places the SARO programs in the context of the Corporate Program Framework. :

SARO STRATEGY IN THE CONTEXT OF THE CORPORATE PROGRAM FRAMEWORK



INTRODUCTION

The complementarity between SARO's programme areas and some dominant Agenda 21 concerns is illustrated in a simplified manner in the following diagram. The relationships shown in the two diagrams are described at length in the subsequent pages which give the program-wise statement of priorities. These statements describe the regional context, the program foci and the medium-term initiatives, ongoing or on the anvil.

SARO STRATEGY IN THE FRAMEWORK OF AGENDA21

REGIONAL CONTEXT

Forestry in Asia is in crisis. Deforestation is accelerating as rising populations and incomes increase the demand for land and wood products. This loss of forests poses alarming economic and environmental consequences. The situation in South Asia, which contains a fifth of the world's population and more than 50% of the world's poor, is as alarming as the desertification and deforestation have reached unsustainable dimensions. This is amply evident in the ecological degeneration of the Himalayas and degradation of coastal areas. Equally important is the loss of biodiversity and the urgent need for conservation and sustainable management of the resource base to maintain or increase its productivity and renewability.

PROGRAM PRIORITIES

In line with the spirit of Agenda 21, the objective of SARO's forestry program is to integrate environmental sustainability and equity into economic decision making. The program contributes most to the Centre-wide initiative on biodiversity, with emphasis on indigenous knowledge. Considerations of food systems under stress and the policy governing technology and resource use are also relevant. The overall objective, therefore, is to increase the availability and sustainable use of forest and coastal resources by local communities.

Priority will be given to community or social forestry with an emphasis on people rather than on industrial forestry. A holistic approach is encouraged in tackling the problem i.e. halting deforestation/desertification. The Program will continue to promote networking, inter- and intra- divisional and regional (ASRO, MERO, EARO) collaboration and South-South cooperation. Where necessary, collaborative arrangements with Canadian institutions will be initiated. Programs in the following priority areas are proposed :

Food Systems Under Stress***Coastal Resources***

It is now widely recognized that Coastal ecosystems, which protect the livelihood security of nearly half the human population, are under varying degrees of threat. The coastal ecosystems are complex but productive, least understood and very fragile. Among coastal ecosystems, the Mangrove ecosystem is as much a storehouse of biological diversity as the tropical rainforest. It is a bridge between terrestrial and aquatic ecosystems and confers numerous benefits on mankind, including forest products, wildlife and fisheries. The SARO strategy involves a network of projects initially linking India, Bangladesh and Sri Lanka to address some of these problems in a holistic way.

Coastal Agroforestry (India)
Integrated Coastal Management (S. Asia)
New Fish Catching Technology - (Sri Lanka)

Integrating Environment Into Policy Making***Fragile Ecosystems-Mountain Habitats***

The severe degradation of the physical and biotic resource base and the increasing marginalisation of ever expanding populations in many of Asia's most fragile ecosystems, has become an acute problem, with extensive dangers and negative consequences for our common future.

A case in point is the ecological degeneration of the Himalayas - described as a microcosm of all of Earth's sensitive ecosystems and the fountain head of a multitude of natural resources upon which depend over half a billion disadvantaged people. The region has suffered from rapid environmental degradation, a vicious cycle of under-development and poverty, and a consequent decline in the standard of living of mountain communities. The apocalyptic vision of the consequences of the collapse of the Himalayas has activated many international initiatives to buttress the national efforts.

SARO is attempting a regional and holistic approach based on tested policies and technologies compatible with socio-economic compulsions. The main objective is to develop forms of resource use for fragile ecosystems, which are bio-economically productive and socially and environmentally sustainable.

Himalaya Eco-Rehabilitation (Asia)

Biodiversity

Forests are critical to three major ecological issues. The most important is biodiversity, the others being carbon dioxide sequestration, (thereby controlling global warming) and control of soil erosion on sloping and hilly lands. Tropical forests harbour the richest variety of biodiversity in the world - a composite of genetic information, species, and ecosystems - providing material wealth in the form of food, fibre, medicine and inputs into industrial process. The loss of biodiversity (as a consequence of deforestation) is therefore a major thrust area for SARO as it severely limits future options for sustainable development.

SARO strategy involves the wise use and conservation of the tropical forest by promoting non-timber/minor forest products (while preserving biodiversity) like bamboo and rattan on a sustainable basis. Another equally important research cluster involves food/medicinal plants (and chemical prospecting) which originate in tropical forests, but whose number and supplies are threatened seriously due to deforestation. The SARO countries have a long and ancient history (over 4000 years of indigenous knowledge) on the use of plants in the native systems (Ayurvedic, Yunani and Sidha). In India alone, about 2200 higher plants have been recognized to be of medicinal value and some of these as well as many more

FORESTRY

have uses as biocides and toiletries. About 300 million people depend wholly on plant based medicines for their health care and another 200 million partially; generating employment of about 32 million mandays and monetary transactions of about 300 million dollars. 2 projects are on-going and it is envisaged to develop a network of projects.

IDRC will support research on identification, conservation (both exsitu and insitu) and sustainable use/management and IK of such resources.

INBAR (Asia)
Medicinal Plants (India)
Neem (India)
Medicinal Plants/IK Network (Asia)
Tree Seed Centre (BAIF-India)
Eco-Rehabilitation in South Asia (UNESCO)

Technology For Sustainable and Equitable Development***Socio-Economics of Non-Timber Forest Products (NTFP)***

In recent years, non-timber wood resources have been accorded international priority in contrast to their previous categorization as "minor forest products". This heightened attention results from recognition of the need for sustainable use of resources and the need for development while maintaining biodiversity. A variety of these products such as bamboo, rattan, palms, gums/resins, leaves, honey, fruits, medicines, tubers etc., are critical to meeting the basic needs of many rural populations and forest dwellers in Asia, who should be the primary beneficiaries of the forest. The socio-economic research is vital to understand the true value of the resource for combatting deforestation, and to ensure food security for millions of rural and indigenous people.

SARO's strategy will be to promote the use of NTFP on a sustainable basis in order to reduce pressure on natural forests. In addition, the valuation of this resource will provide policy makers the relevant information on the intrinsic value of the forest (i.e. not by timber alone).

Socioeconomics of NTFP (Sri Lanka)
Palmwood Asia II (Asia)
Katcha House (Bangladesh)

WATER & LAND MGMNT.**REGIONAL CONTEXT**

By the year 2025, a majority of the expected global population of 8.5 billion will be living in developing countries. The capacity of available resources and technologies to satisfy the demands of this growing population for food is uncertain, particularly in the SARO region. From the points of view of environmental sustainability, alleviating human misery and minimizing social conflicts developing programs related to water and land resources management to tackle food insecurity and environmental degradation is a high priority for the region.

PROGRAM PRIORITIES

The program in the area of Water and Soil Management would necessarily be multidisciplinary. A high level of interaction would be needed with the Social Sciences, Health Sciences and Information Sciences disciplines as well as the Forestry and Environment Policy Programs at SARO. Some of the major themes and sub-themes are elaborated upon below.

Food Systems Under Stress***Mountain Resources Management***

Mountain ecosystems, important repositories of water, energy and biodiversity, are rapidly changing and becoming susceptible to accelerated soil erosion, landslides, and loss of habitat and genetic diversity. On the human side there is widespread poverty and hardship among mountain inhabitants.

This program will promote integrated multidisciplinary basin development in the Himalayan region in collaboration with CIDA and other agencies. The Himalayan Water Resources Management Project, with a focus on Indo-Nepal-Bangladesh water sharing and management, including review and analysis of conflicts and conflict resolution procedures, will be undertaken as part of this program. Another planned initiative relates to the regeneration of Natural Springs in the hilly regions of India.

Himalayan Water Resources [India-Nepal-Bangladesh]
Natural Springs (India)

Watershed Development in Rural Areas

This program will address the concerns of food security by developing techno-managerial solutions to the problems of degraded drylands and marginal uplands in rural areas, catering to the subsistence needs of a vast population.

Watershed Management in Tandava Basin (India)

WATER & LAND MGMNT.***Local Management Of Irrigation***

The thrust of this program will be to develop projects in the area of local management of irrigation and sustainable management of water delivery and disposal, including the conjunctive use of water. Collaboration with other donor agencies such as Ford Foundation and International Institute of Irrigation Management (IIMI) is envisaged. Collaboration with HSD in the area of rice eco-systems and impact on health vis-a-vis irrigation is also envisaged.

Water and Irrigation Management (Sri Lanka-Bangladesh)
Conjunctive Use of Water (Bangladesh)

Health As An Entry Point for Sustainable & Equitable Development***Drinking Water Supply And Sanitation***

An estimated 80% of all diseases and over one third of deaths in developing countries are caused by the consumption of contaminated water. Productive time is also affected adversely because of water-related diseases. For the next three years SARO will focus research on provision and financing of safe drinking water and sanitation as a strategy for improving health, ameliorating poverty and protecting the environment. The program will have strong linkages with the Environment and Economic Policy programme at SARO as well with Essential National Health Research and Urban Program Initiatives at the Centre-wide level and envisages collaboration with other donors like UNICEF. Specifically, inputs to the Centre Urban Development Project (Phase II) is foreseen, which will also have UNICEF participation. Water quality monitoring, field testing of coliphage kit for water quality will also be carried out in collaboration with HSD.

Water & Sanitation/Urban Centres (India-Nepal)
Impact of Cyclones on Water Quality (Bangladesh)

REGIONAL CONTEXT

The domestic policy environment in all South Asian countries is highly fluid at the moment and the window of opportunity for influencing policies by strategic research is ideal. There is a strong regional need for engaging in policy oriented research directed at national and global issues with implications for economic growth, the environment and social policy.

PROGRAM PRIORITIES

The environmental and economic policy program will prioritize two major concern areas :

1. Integrating Environment into Policy Making
2. Growth, Trade and International Cooperation

1. **Integrating Environment into Policy Making**

Environment is just arriving on the policy agenda of the countries of South Asia. These countries are in the process both of evolving their stance in relation to global environmental negotiations as well as evolving regulatory and policy frameworks to address emerging environmental issues. The SARO strategy is to position IDRC in the following critical areas of programming :

Capacity Building

Inadequate in-country institutional or human capacity in the areas of environmental economics, impact assessments, environmental action plans, environmental regulation, legislation, policy and planning has been identified as a key constraint in South Asia. This hampers domestic action with relation to environmental priorities as well as leaves these countries at a disadvantage while negotiating with the developed countries in international fora. To bridge this critical gap SARO strategy will focus on identification and strengthening of existing environmental institutions, assessing the need for new institutions and centres of excellence, facilitation of coordination and networking among key institutions in the countries of the region and assistance in developing training modules and methodologies.

Resources Economics Research Centre (South Asia)
Manual on Environmental Projects (India)
Global Forum on Environment and Poverty (Bangladesh)
Regional Roundtable on Sustainable Development (South Asia)
Capacity Development in the Energy Sector (South Asia)

ENV. & ECO. POLICY***Sustainable and Equitable Development***

The environmental policy context in South Asia must be strongly conditioned by the overriding concern in the region with combating poverty and with improving the capacity of the poorest to utilize the natural resources available in the most productive manner, consistent with sustainability.

In line with the concern to have a more community-driven approach to sustainability SARO will encourage micro studies to explore the linkages between environment and economic growth and between micro and macro perspectives.

Social and Natural Resource Utilization in W. Bengal (India)
Development, Displacement & Rehabilitation in Orissa (India)
Poverty in Bihar (India)
National Sustainable Development Planning (Nepal)

Also, part of the strategy is creating capacity in social sector research. Research on financing and improving access to health and education on the basis of detailed studies on interrelationships among each of these sectors with particular focus on pricing and access for vulnerable groups, is to constitute an important programme initiative. Complementary to this is a project on developing a data base for human development indicators and another initiative on Health Economics.

Health and Education Finance (India)
Monitoring Human Development (India)
Economics of Health/Education (India)
MAP Phase II (Bangladesh)

Institutional Framework

Broadening the development paradigm to include the concerns of sustainability effectively, would imply the need for far-reaching changes in the existing economic-fiscal-trade-regulatory policy framework. Conventional economic theory and wisdom needs to extend its applications and focus on issues of environmental sustainability, for example, the need for National Income Accounting systems to better reflect the concepts of natural capital and ecological costs. The SARO program will be directed at generating data and research which can yield insights into the ways in which existing regulatory, incentive or institutional structures impact on the environment. The linkages between environmental degradation and international trade policies and between environmental degradation and domestic adjustment programmes could also be explored.

Socio-economic Policy and Environment Interface (India)

ENV. & ECO. POLICY**2. Growth, Trade and International Cooperation**

Centering around the above theme the economic policy program will seek to address two critical issues facing the South Asian governments in the context of their ongoing economic reform policies. These issues, which are vital for the success of economic reform measures are :

- Impact of structural adjustment on social sectors (discussed above)
- Integration of South Asian economies with the global economy

The key objective of the programme is to ensure the success and sustainability of economic reform measures by assisting the South Asian governments in establishing a policy regime which (a) minimizes the adverse impact of structural adjustment on social sectors by providing appropriate safety nets; (b) promotes integration with the global economy for maximizing returns from foreign trade and attracting foreign investment together with state of the art technology in priority sectors; and (c) creates the necessary preconditions for South Asian regional cooperation in trade and financial sectors.

Among the important initiatives in this area, on the anvil is a plan, mooted by the Government of India, to set up an India Forum on the lines of the successful China Council. The Forum will focus on issues of environment, technology, and structural adjustment. It will include a select group of international figures drawn from business, academia, and major international organizations including IDRC.

Also planned are comparative studies, both regional and inter-regional (in collaboration with other IDRC offices) focussing on trade and growth issues.

Financial Liberalization and Capital Market Reforms (India)
Forum for the Future of India
Comparative Study of Sri Lanka, Thailand, Malaysia, Singapore
Brazil-India Comparative Study with LARO
India-Africa project with EARO, WARO
Professional Services in South Asia and the Asia-Pacific Region
India-Asean Economic Linkages with ASRO

REGIONAL CONTEXT

This program is critically positioned in the SARO strategy. On the one hand, it aims to capitalize on the Centre's past research achievements, in the region and outside, and develop on their basis technological solutions for wide-spread dissemination in the short and medium term. The focus is on consolidating presence in the region and maintaining visibility. On the other hand, it also provides for on-going and all future research work an avenue for widescale development and utilization.

PROGRAM PRIORITIES

The R&D Utilization and Micro-enterprise Development programme will seek to implement in SARO the Centre's PRISM strategy as approved by the Board this October in keeping with the region's concerns and capabilities and in partnership with the private sector, venture capital institutions, and other donors notably CIDA and UNDP. The programme will focus not only on commercialization and utilization per se but will also address the critical managerial, institutional, capacity development, and policy issues related to innovation management with particular focus on development and dissemination of eco-efficient technologies. The main themes to be addressed are elaborated upon below :

Technology for Sustainable and Equitable Development

The central theme of this program is Technology for Sustainable and Equitable Development. The key objective would be to integrate innovation with strategies for sustainable development by addressing the Agenda 21 concern with mobilizing science and technology for sustainable and equitable development through increasing the competitiveness of the industry without irrational depletion of ecological capital.

The program would initially but not exclusively centre on commercialization of technologies which have emerged through Centre support. The focus would be on capacity development, policy research as well as commercialization of existing technologies. In addition top priority is being assigned to developing a major initiative on eco efficient technology R&D and its commercialization with CIDA, UNDP and the Business Council for Sustainable Development. Also, in collaboration with UNDP are slated two projects addressing innovation issues related to the jute and leather sectors in India and Bangladesh.

Eco-efficient Technologies
Jute India-Bangladesh
Leather (India)
Eco-testing Facilities (India) Collaboration with UNDP
Bamboo Mat Board (Asia)

Growth, Trade and International Cooperation

A program for sectoral technology utilization and technology foresighting will be developed. These inter alia are likely to have collaboration with CIDA's Business Cooperation initiatives. They will also have relevance to the economic structuring under way in the region. A program on Research System Effectiveness will also be developed.

Sectoral Technology Utilization (India)

Technology Foresighting (India, Sri Lanka)

Research System Effectiveness (South Asia)

Capacity Development for Management of Innovation (Asia)

PROGRAMMING DIMENSIONS

Cutting across the thematic and disciplinary boundaries are four general principles of programming for the Regional Office :

Greater Regional Programming : Given the commonality of problems and solutions facing South Asia and in cognizance of the need for these countries to work together the Regional Office will move towards trans-country or regional programs as well as promote regional networking.

Cooperation with the Global Programs : To reinforce its own presence and programmes in the region SARO envisages for itself an interactive as well as proactive role vis-a-vis the Centre's global programs especially in the areas of Health, Social Sciences, and Information Sciences in which SARO does not have programming capacity.

Working with the U.N. System : It has been recognized that in fulfillment of its role as a lead agency for taking forward Agenda 21, the Centre will have to develop closer working linkages with the U.N. System. The process has already been set in motion in the SARO region with the development of several collaborative projects in the region with UNDP. Discussions for collaborative ventures with UNESCO in the area of natural resources management and with UNICEF in the area of sanitation, health and nutrition are also well underway. Other partners from the international system include CIDA, the Ford Foundation, and the Business Council For Sustainable Development, Geneva. IDRC's role vis-a-vis these collaborative initiatives is critical in that it focusses on the research and planning end of the spectrum, value adding significantly to the whole program. These collaborations also offer to SARO an intellectual leverage and potential for impact in the region, far beyond its own resources.

Evaluation : An evaluation plan will be formulated to provide SARO with the capacity to learn from its own program experience and to give management feedback on Centre policies and program performance. Drawing on the services of the Evaluation Unit, emphasis will be placed on program evaluations which measure the effectiveness of Agenda 21 thematic initiatives in the region. Focus will be on the impacts of expected program outputs.

SUMMARY

In summation, the main program elements of a strategy for SARO for the medium-term are well in place. These constitute of a well-knit, multidisciplinary program in Environment and Natural Resources Management with expertise in the core areas of forestry, water and land management and environment policy. These are supplemented and reinforced by a program in economic policy which addresses the issues of growth, trade and regional cooperation pertinent to maintaining a macro environment in which the above programs can be better developed and a program in R&D Utilization addressing the critical need of translating the research done into viable development action.

In the medium-run the strategy aims to achieve the following :

- the development of a multidisciplinary, community driven approach to natural resources management. Technological, managerial and people-based solutions to the questions of resource use and sustainability will be evolved.
- a critical mass of research effort in the area of indigenous knowledge.
- some answers to the question of enhancing global food security by focussing on particular systems under stress i.e. mountain, coastal, drylands and other fragile eco-systems.
- developing a policy framework whereby the countries of South Asia can better integrate environmental concerns into economic decision making.
- developing a policy framework for a growth-friendly policy environment with an improved understanding and articulation of growth with equity choices.
- more regional programming, improved regional networking, trade and economic integration within South Asia as well as of South Asia with the global economy.
- putting in place a mechanism to distil learning from the program initiatives both as a feedback to future programming and for dissemination to a wider audience, including the Centre's Canadian constituency.

SARO's PWB for 1993-94 is discussed below in accordance with the Centre-wide thematic foci and in keeping with SARO's programme priority statement.

1. **FOOD SYSTEMS UNDER STRESS:**

SARO will address this theme primarily through programmes in the areas of Water and Land Management and Forestry. The focus will be on enhancing food security through improving the understanding of and finding people-based solutions to critical problems in the area of mountain resources management; watershed development in dryland areas; local management of irrigation; and management of coastal ecosystems and fragile habitats. An amount of CAD\$ 1.75 million is estimated for implementing the identified programmes under this theme.

2. **INFORMATION FOR SUSTAINABLE EQUITABLE DEVELOPMENT:**

SARO does not have a large program under this theme as it lacks programming capacity in the area. However, given the primacy of information needs for the region it will collaborate with ISD while taking a secondary role, viz-a-viz the Division. An allocation of approximately CAD\$ 50,000 will be required for supporting activities planned by the IS Division for SARO during 1993-94.

3. **BIODIVERSITY:**

Forestry and Water and Land Management Programmes will directly address the theme of Biodiversity. Some important initiatives which are proposed to be undertaken during 1993-94 relate to medicinal plants/ indigenous knowledge and South Asia eco-rehabilitation issues. Collaboration with other parts of the Centre, in particular, with ENRD and ISD is envisaged. An allocation of CAD\$ 850,000 is estimated.

4. **INTEGRATING ENVIRONMENT INTO POLICY MAKING:**

This is the single largest theme to be addressed by SARO's program strategy. The Economic and Environment Policy Program will address this theme from three critical perspectives namely, creating in-country institutional capacity in the area of environmental economics and policy making; incorporating concerns of sustainable equity into the development paradigm; and broadening conventional economic theory to focus on environmental costs and concerns. Some of the important programme initiatives proposed to be undertaken are capacity development in (a) resource economics and (b) energy sectors; networking of South Asian NGOs working in the

area of sustainable development and poverty; research on impact of structural adjustment on social sectors; policy dialogue and research on economic reform and environment et.al. In order to implement the identified programmes under this theme an allocation of CAD\$ 3 million is estimated.

5. **HEALTH AS AN ENTRY POINT:**

SARO intends to address this theme primarily through its Water and Land Management Program which will be focussing on sanitation and health issues. It is also open to collaborations with HSD as health is an important regional concern, though unrepresented in SARO's programme. An allocation of CAD\$ 500,000 is estimated under this theme.

6. **TECHNOLOGY FOR SUSTAINABLE AND EQUITABLE DEVELOPMENT:**

This theme will be addressed primarily through the Research Utilization/Effectiveness Program and also to some extent through the Forestry Program. Some of the important projects on the anvil are R&D to support eco-efficient technologies (with Business Council for Sustainable Development, Geneva), research systems effectiveness, bamboo mat board and palmwood utilization. An allocation of CAD\$ 2.3 million is required for these and other identified activities under this theme.

7. **GROWTH, TRADE AND COOPERATION:**

Given the process of globalization and economic restructuring which is on-going in all the countries of South Asia, the SARO region has identified the theme of Growth, Trade and Cooperation as an additional theme necessary for making its programing in the region both relevant and effective. This theme will be addressed through two programs, i.e. Economic and Environment Policy Program and the Research Utilization Program. Some of the important planned initiatives are support for research on issues related to financial liberalization and capital market reforms; South Asian regional cooperation; India-Asean economic linkages; and Brazil-India comparative study. An allocation of CAD\$ 770,000 is estimated for implementing programmes under the above theme.

8. SUSTAINABLE HUMAN SETTLEMENTS:

To address problems of urban poverty, rural-urban migration and lack of livelihood opportunities, SARO would like to develop further the theme of Sustainable Human Settlements within the Agenda 21 framework. Projects expected to be undertaken are: Katcha House (Bangladesh); Poverty Syndrome (Bihar); and Slum Improvement (Calcutta). The estimated allocation stands at CAD\$ 450,000.

9. BAIF:

IDRC had a large CIDA collaborative Phase I involvement with BAIF to the tune of CAD\$ 6 million. A limited Phase II involvement is proposed to capitalise on the research carried out in Phase I and for the dissemination of Phase I results to other NGOs in the South Asian region. A total programme budget of CAD\$ 1.5 million is envisaged with a focus on two themes: (1) Technology for SED (2) Information for SED. Collaboration with other parts of the Centre is envisaged (ENRD, ISD, CAID). The estimated allocation for SARO stands at CAD\$ 625,000.

10. SMALL GRANTS AND SUPPLEMENTS:

An amount of CAD\$ 500,000 is requested for small activities directed primarily at program development and for responding to emerging issues of importance in the context of SARO's overall program strategy. This amount also includes possible supplement for Phase II activities.

In accordance with the programmes identified and briefly discussed above an amount of CAD\$ 11.25 million is estimated for 1993-94 for operationalizing SARO's programme priority statement. The thematic distribution of this amount is as follows:

<u>S.#</u>	<u>THEME</u>	<u>BUDGET REQUIRED (CAD\$)</u>
1	Food Systems Under Stress	1,750,000
2	Information for Sustainable Equitable Development (SED)	50,000
3.	Biodiversity	850,000
4.	Integrating Environment into Policy Making	3,030,000
5.	Health as an Entry Point	500,000
6.	Technology for Sustainable and Equitable Development	2,325,000
7.	Growth, Trade and Cooperation	770,000
8.	Sustainable Human Settlements	450,000
9.	BAIF	625,000
10.	Small Grants and Supplements	500,000
TOTAL		<u>11,300,000</u>

In case SARO's total programme allocation remains at CAD\$ 2.8 million (1992-93 level) then a major reprogramming exercise would have to be undertaken in active consultation with SARO's programme team and Centre's divisions. SARO's Annual Programme Meeting (November 1992) has addressed this issue. It is felt that in order to make a critical impact in the region a minimum allocation of approximately CAD\$ 7 million is necessary. Also, a professional person year (social scientist, economist) for implementing the environment/economic policy research is warranted by the need for activities in this area which hitherto were professionally supported by Randy Spence, who may not now be available to continue with this support.

SARO expects to leverage USD 51 million (of which USD 41.7 million stands committed) from UNDP in support of activities under the themes of Integrating Environment into Policy Making and Technology for Sustainable and Equitable Development; and CAD\$ 5 million from CIDA in support of BAIF.

DEVELOPMENT PREOCCUPATIONS IN THE SARO REGION

Environmental, livelihood, economic and socio-political security are some of the key development concerns preoccupying the attention of governments in the SARO region. To redress these governments have assigned high priority to R&D and its utilisation and are taking appropriate steps to make their respective science and technology policies responsive to development concerns.

In the decade ahead the region is expected to face significant environmental degradation brought about by a set of complex and inter-related factors, particularly pressures of ever increasing population, poverty, and economic growth. Sub-optimal management of natural resources and irrational disinvestment of ecological capital are posing a serious threat to the region's life-support system through increasing frequency and intensity of natural disasters; deterioration of soil conditions; increasing deforestation; discontinuities in water cycle and increasing trends towards desertification. The increasing danger to environmental security is evidenced by, among others, the continual recurrence of drought and floods resulting in the convergence of homelessness, disease and unemployment which aggravates the continuing threat towards livelihood. South Asia with over 250 million in absolute poor (with an annual income of below US\$ 275 - IBRD criteria) - 50% of the world's absolute poor - and over 550 million poor (with an annual income below US\$ 370 - IBRD definition) seems destined to suffer from poverty not too different in form and intensity from sub-Saharan Africa. This poverty manifests itself in continuing endemic hunger, deprivation, illiteracy and high infant mortality. Further, poverty accentuates environmental degradation. As the UNDP Human Development Report 1990 argues "...poverty is one of the greatest threats to the environment....And this environmental damage reinforces poverty". While the governments in the region have assigned high priority to poverty alleviation their policy-mix directed at redressal of this acute problem have produced miniscule results. A key cause, among others, is high rates of population growth - 2.3% per annum. In some countries, notably Bangladesh and Nepal - rates of population growth are higher than growth of foodgrains. In these countries the spectre of Malthus may be back with a vengeance.

The economic security of the region is equally endangered. The rising burden of external and internal debt accompanied by deteriorating terms of trade has generated a reverse flow of resources from the region to the global system. The increasing globalization of the economic system has further eroded the economic base of the region as well as the limited competitive efficiency. With the birth of Fortress Europe in 1992, and the emergence of trading blocks in North America and the Asia-Pacific region, the economic sustainability of the region is expected to be in greater jeopardy. Structural adjustment has been adopted as the critical panacea for the region's survival with the invisible hand of the market and privatisation forming the cornerstone of economic strategy. While all countries in the

region have undertaken structural adjustment measures - with India following suit in July 1991 - the region runs the risk of continuing to fall behind many parts of the globe. The above multifaceted crises that have engulfed the region have created violent and increasingly unmanageable social conflicts which may lead to societal collapse and anarchy. The governments in the region are accordingly preoccupied with finding short and long-term solutions to governance, civil unrest, devolution of power to provinces, increasing intensity of social tensions and related violence, security in the Indian Ocean region; and defence development trade off. All these issues are vital to the very survival of the countries in the region as distinct nation states and to the continuation of strengthening of democratic values and institutions and preservice of human rights. Regional cooperation through SAARC appears to be a possible solution to these problems provided the current geopolitical realities allow for positive thinking.

Problems Demanding Further Knowledge

A critical constraint to addressing the above key development concerns is imperfect knowledge of their nature and dimensions and the degree of inter-connectedness of the issues involved. Some key problems demanding further knowledge are easily identifiable.

As concerns environmental security, a primary area of concern is to seek technical, managerial and people-based solutions to reverse the process of ecological degradation of the biomass based economy which still constitutes a dominant part of the economies of the region.

Areas requiring further knowledge are, among others, poverty-ecology-population nexus; land use management; afforestation and agro-forestry technologies; systematic not destructive or wasteful extraction of resources for industry; human settlement; water management including techniques of water conservation and conjunctive use of water resources; and determinants of water resource dynamics.

To effectively address issues related to livelihood security the crucial area demanding further knowledge is that of empowerment - how to empower people so that they can exercise entitlement over resources. In this context these areas need to be addressed through research: income generating technologies which are affordable and add value to agricultural and forestry resources and produce; technology for increasing productivity and competitive efficiency, of small and medium scale industries including village based and primary product industries; environment friendly technologies for the SME sector; and management of the coastal regions.

With regard to economic security additional knowledge is required to understand the dynamics of macro-micro linkages and structural adjustment policies; management of international debt and flows of international capital, services and goods movement; limits of the market mechanism in fostering growth; negotiating strategies; and dynamics of

globalization particularly in the context of integration with the global economy; social effects of adjustment; speed of reform - important for maintaining socio-political stability as dramatically illustrated by the disintegration of USSR; and sequencing of reform, among others.

The areas requiring further knowledge in the context of socio-political security are administrative and political structures appropriate to the multi-ethnic multi-racial, multi religious and multi-cultural heritage characterising the region; techniques to enhance pluralism and participation of disadvantaged groups in the governing process; strategies for conflict resolution and; methods/strategies for consolidating democratic institutions.

Research Entry Points

In the context of economic preoccupations of governments in the region and related problems demanding further knowledge, some relevant research entry points for the Centre, which suggest themselves are :

I. Environmental Security

Natural resource management evolved in the context of the basic needs of the people with particular emphasis on

- (i) Harnessing of water, land, forestry, agriculture, pasture and livestock resources;
- (ii) Environment and industry : resource extraction with a particular focus on mining - Avoidance of industrial hazards; and the effects of industrialization on the lives of the local people;
- (iii) Environment and urbanisation - environment and health hazards faced by the urban poor;
- (iv) Environmental policy - research directed at formulation of national/regional conservation strategy and at providing the intellectual underpinning to the region's stance in relation to global environmental issues as well as evolving regulatory and policy frameworks to address emerging domestic environmental issues;

II. Livelihood and Economic Security

- (i) Studies to acquire a better understanding of the poverty-environment-population nexus;
- (ii) Studies on health, nutrition, education and human development

(iii) Studies on gender issues

(iv) Studies to develop a coastal research system incorporating coastal agriculture/horticulture, agroforestry, fisheries, land use management and asset creation activities;

(v) Industrial development and competitiveness particularly in the small and medium scale and agro industries aimed at (a) adding value to local raw materials and commodities, (b) creating employment and income; and (c) export promotion.

III. Socio-political security

(i) Linkages among issues of devolution, decentralization, democracy, ethnic harmony, and people's participation in governance;

(ii) Reform of public administration to make it a catalyst and facilitator of development processes through mobilizing greater participation of the citizenry;

(iii) Mechanisms for decentralization and devolution of authority and development management to match political devolution;

(iv) Language policy

(v) Village -level institutional framework

(vi) Information system to permit management of devolution of power and governance at the local level and to democratize information;

(vii) Deschooling and training of administrative and political cadres; and

(viii) Comparative and intracountry studies of successful and moderate models elsewhere, for example, Canada

IV. R&D Utilization

(i) Resource allocation mechanisms for R&D and financial control systems;

(ii) S&T policy formulation and implementation;

(iii) On-going and post-facto evaluation methodologies;

(iv) Policies and strategies for promoting researcher-user interface;

- (v) Partnership among research and S&T, financial and venture capital institutions;
- (vi) Analysis of patenting and licensing policies and procedures;
- (vii) Methodology for integrating R&D utilization objective in project formulation
- (viii) Evaluation of technologies from the perspective of commercialisation

Tasks for the Centre

It is impossible for the Centre to respond to all of the above development issues and related research entry points given the constraints defined by the Centre's mandate, mission, comparative advantage and financial resources. A sharply focussed, well articulated and integrative response - both in terms of program and geographic concentration - is warranted.

In the SARO region the Centre could position itself strategically by focussing on the issues of environmental, livelihood and economic security with a concentration on these areas :

- Harnessing and processing of water, forest, and land resources including livestock and coastal resources
- Environmental insults and changing patterns of human settlement arising out of industrialization and urbanisation
- Public policy in the context of the interrelated issues of environment, structural adjustment and socio-political security

In addition, the Centre should address the post research issues of communications, and R&D utilisation within the framework of the chosen focus.

In the SARO region, as elsewhere, the Centre has high credibility both among researchers and policy makers and hence has high potential for impacting positively on the development of the region - a potential which must be maximized.

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South Asia Regional Roundtable on Sustainable Development - November 3, 1992

At the UNCED Rio Meeting the Canadian Prime Minister charged the International Development Research Centre (IDRC), Canada to focus on Agenda 21 in partnership with Governments, NGOs and members of the research communities in developing countries. In pursuance of this mandate the South Asia Regional Office of IDRC has established a South Asia Regional Roundtable on Sustainable Development. The first meeting of the Roundtable was held at New Delhi on November 3, 1992.

The Roundtable discussed a wide range of concepts and objectives. It also discussed the following issues from a country/ region specific perspective:

- Researchable issues in areas of relevance to the implementation of Agenda 21 in South Asia
- South Asia's requirements with respect to research capacity building in the context of Agenda 21
- Strategic framework for strengthening of linkages between research, policy making and development action oriented at promoting a systematic and integrated approach to sustainable development.

The Roundtable led to a number of specific recommendations and suggestions on these subjects. Before listing these it is useful to briefly review some of the concerns over concepts and objectives that emerged in the discussions.

I. Conceptual Concerns

One important concern was that a donor driven agenda on research ought not to be pushed through in the name of implementing Agenda 21. Research must be demand driven. South Asia needs a smaller 'wish list' than that presented in the Agenda 21 document. Such a list would be more realistic from management and financial angles and better reflect the urgency of development needs.

Poverty, rather than 'environment' or any other concept is the central problem of the region. The focus on environment is undoubtedly justified because of the numerous and strong links between poverty and environment. It should however be understood that the primary objective of environment-related research is not just to add to the store of knowledge. Research should help to resolve and solve immediate problems of poverty: ensuring people adequate food and health security. This point of departure entails a research agenda informed by the primary concerns of South Asia rather than those of the North.

Agenda 21 does give prominence to the poverty issue at the very outset. But this seems to be paying lip-service, considering that its only teeth are in the two conventions on biodiversity and climate. The Global Forum, Bangladesh, continues its efforts to get support for a Poverty Convention with legal and binding status. The Poverty commission is another South Asian initiative which hopes, as one specific target, to achieve food security within the region through co-operation.

There is need to get more visibility than has been possible through the UNCED process for issues central to the concerns of the South: such as lifestyles, consumption, debt and trade. UNCED had as a primary concern, questions relating to global property rights, although this cannot be successfully addressed in the absence of global governance.

It was also pointed out that economic entitlements of the poor are not the only issue; if the poor are to be empowered the lifestyle and culture of the non-poor will have to inevitably change. This is the environmental problem. The ideology of development does not adequately reflect the aspirations of those who are poor. In this sense 'sustainable development' is something of an oxymoron.

There certainly is a process by which a country can achieve economic growth, human development and equity, and do so in an environmentally sustainable way. But this calls for a paradigm shift which has not yet taken place. It was also stated that seeing the Roundtable as a mechanism by which experience and reflection is conveyed to policy makers shows persisting adherence to the view that required action needs to be routed primarily through policy makers and government. But in reality there is a large civil society that muddles along with little recourse to the formal institutions of which governments, donors, policy makers (represented by the participants at the Roundtable) are a part. It was queried as to whether it was possible to do research that is more supportive of civil society and its initiatives, as distinct from attempting to influence or modify the actions of policy makers.

On a less controversial note, it was generally agreed that there is need to strengthen methodologies of research which are more people based and action oriented and to concentrate on research that is problem solving.

On the question of policy research at the regional level, two views were expressed. One view was that the region has a common eco-system, a common culture, valuational framework, and a common future and that there is need to emphasize the elements of unity within this diversity. The other was that it may be wiser to recognize the areas of conflict rather than suppress or overlook them, find the areas where agreement is possible but be equally open about where disagreement prevails. On either view the role of the intellectual in seeking solutions by breaking down mental barriers and overcoming bureaucratic rigidities cannot be underestimated, especially in the South Asia context of halting, uneven growth, ethnic strife, bilateral tensions and suspicions.

Finally participants suggested that the role of the Roundtable should be more carefully thought through. If, as was suggested, it is expected to meet two or three times a year, then it was felt that discussions at the meetings would be more productive if they were centred around a written paper. For the next Roundtable, an invitation was extended by Dr Siddiqui to meet in Bangladesh, possibly in May 1993. It was suggested that IDRC should circulate a concept paper for that meeting to help focus issues.

II. Researchable Issues in the context of Agenda 21

- With respect to research on poverty-environment linkages in concrete terms, Urban Poverty was identified as an important theme (especially research on informal sector urban poor; urban credit on lines of the Grameen Bank). The need for eco-specific case studies of poverty-environment linkages was also stressed.
- Production system and environmental implications (the 'greening of economics')
- Measurement tools for sustainable development concepts (including a critical use of concepts like carrying capacity, livelihood security index)
- Land use and land management practices (sharing of regional experiences; reduction of livestock, genetic upgradation, fodder plantations and user rights. Specifically in the case of Nepal, need to share knowledge of Sloping Agriculture Land Technology being developed in the Philippines; soil stabilisation through root system, advanced in China; relay cropping); questions pertaining to land ownership.
- Disaster management (impact on environment; study of prevention/coping mechanisms based on past experience). This is of special relevance to Bangladesh
- Global warming and rise in sea levels
- Social forestry (with special attention on gender issues)

- Water management (particularly co-operative use of transboundary waters -India, Nepal, Bangladesh; safe drinking water)
- Population (and need for women friendly strategies); impact in hill areas (relation with deforestation/soil erosion). It should be recognized that population and lifestyles are two sides of the same coin.
- Biodiversity (identification and protection of threatened species) and South-South collaboration.
- Agro forestry and livestock management
- Desertification
- De-militarization
- Health; an example of an environmental issue would be poisoning of the food chain
- Low cost housing
- Governance
- Pro-active analysis of emerging conflict areas and methodology for conflict resolution of ecological conflicts
- Inter sectoral decision making at local as well as national levels
- Risk assessment for new technologies
- For all of the above, it was stressed that there is need for more dissemination of results and networking.
- Equally important for research utilization is the testing of technology packages for transfer, and study of the best institutional mechanisms of technology transfer at grassroots level.
- Research on pre-conditions for successful replication of projects
- The definition and methodology of research, choice of research agenda, implementation, dissemination; research management issues

III. Research Capacity Building

- It was suggested that institutions already engaged in sustainable development research be assisted (through research grants; and support for facilities and initiatives that will permit free flow of information and access to experience of the region through networking). But there is on the whole a shortage of institutions, and in the interests of building up a scientific community, too much concern should not be expressed over possible duplication i.e. let there be a plurality of views. What is important is to have greater professionalisation: peer reviews, sense of relevance in research. This would contribute to increasing the local capacity for negotiation.
- Centres of Excellence: it was agreed that there is need to develop one or more such centres to enable more professional study and training in environmental management/ measurement techniques. However it was cautioned that these should be developed within existing institutions, so as to better root such a Centre in local soil.
- There is need to get away from fragmented disciplinary research and develop interdisciplinary research methodologies. (Some concern was expressed about duplication of effort and inadequate information about existing institutions and researchers). It is also necessary to break down the barriers between research, action and training (and worth remembering that the poor do not speak English; also that there may be much to learn from indigenous knowledge systems).
- Techniques: Use of GIS technology; Environmental Impact assessment; strengthen farming systems approach rather than individual crop focussed research.
- Training should be focussed on younger researchers; however a case was also made for a Senior Fellowship Program for experienced professionals

IV. Strategic framework

Regional:

- SAARC : Strengthen the secretariat; possibly combine the SAARC environment committee and the SAARC Summit on environment; build up a SAARC fund for environmental research.
- At the same time, working through SAARC/government organisations is not adequate and there is need to strengthen non-government, independent research institutions. A specific suggestion is to identify and strengthen 'national focal points'

in the countries of the region. (The role of the IUCN in Pakistan in the formulation of the National Conservation Strategy could be a useful model of policy formulation for other countries).

- Promote networking of international organizations working in the region

(Reference was made to existing IDRC networks linking national institutions in the region on the basis of themes of common interest).

Some suggestions relevant in a national context were also made.

Bangladesh:

- Strengthen National Environment Council
- Develop a national conservation strategy

Nepal:

- Currently trying to develop a long-term perspective plan; need for more inputs into this essential policy framework. Would help to have clear statements by governments on what they want to do with mountains and mountain people. Need for clarity on economic, social and environmental objectives.
- Need for prioritization and planning at the regional and district levels, and for focus on institutional mechanisms: the how rather than the what (technology) is the bigger challenge.

Most of the recommendations are, or can be, well addressed by existing programme areas at SARO. New directions are indicated by the support given to need for research into governance and health issues.

REGIONAL ROUNDTABLE ON SUSTAINABLE DEVELOPMENT
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